Sanitized Copy Approved for Release 2011/09/14 : CIA-RDP80-00809A000600350357-7

CLASSIFICATION

CONFIDENTIAL

GUNT IVEN FIRE REPORT

50X1-HUM

CENTRAL INTELLIGENCE AGENCY

INFORMATION FROM

FOREIGN DOCUMENTS OR RADIO BROADCASTS

CD NO.

COUNTRY

China

DATE OF

INFORMATION

Economic - Trade **SUBJECT**

1950

HOW-

DATE DIST. 1/ Oct 1950

PUBLISHED

Daily newspapers

WHERE

PUBLISHED

· Hong Kong

NO. OF PAGES 2

DATE "

PUBLISHED

7 - 9 Sep 1950

SUPPLEMENT TO

LANGUAGE

Chinese

REPORT NO.

THIS IS UNEVALUATED INFORMATION

SOURCE

Wen-hui Pao.

NATIONAL TRADE CONFERENCE RECOMMENDS CHANGES; HONG KONG EXPORT MARKET ACTIVE

OUTLINES PLANS FOR TRADE IMPROVEMENT -- Hong Kong Wen-hui Pao, 9 Sep 50

It was reported at the National Conference on Export-Import Trade, convened recently in Peiping, that exports for the last year exceeded those for any year between 1930 and 1946. Imports were held to essential industrial raw materials, communications equipment, and consumer necessities.

A number of weaknesses in the operations were revealed by the reports and discussions, and recommendations were adopted by the conference along the following lines:

- 1. The government should exercise unified control over exports and imports, but beyond this should confine its export activities to a few very important items and its import activities to government-used industrial and military equipment. In the matter of all consumer necessities, it should confine its activities to supervision of supply and demand and equalization of prices. All other activities should be handled by private operators. The export and import trade which the government does handle should be contracted out to private firms to do the actual business.
- To prevent blind competition among private traders, secure even distribution of goods, recapture and expand international markets, assure the seasonal import of important goods, and insure the carrying out of the government's policies in the matter of the proper division of activities between publicly operated and private enterprises, the conference recommended that import-export trade be organized under an international trade research institute, small committees for individual lines of trade within the general trade associations, and joint public-private operations. The varying conditions of different localities and the wishes of private companies, should be taken into account in the establishment of the above-mentioned agencies.

COMFIDENTIAL

· CLASSIFICATION_					NC	CONFIDENTIAL	 	
STATE	$\neg x$	NAVY	X	NSRB		DISTRIBUTION		
ARMY	X	AIR	X	FBI			L_L	

CONFIDENTIAL CONFIDENTIAL

50X1-HUM

3. Registered importers and private factories may apply for foreign exchange to pay for imports. The local foreign trade control bureaus will issue permits for such exchange in accord with the necessities of the local markets and production requirements. Private factories may not resell raw materials imported. Importers shall make monthly reports to their trade associations upon the market conditions in the lines they handle. The trade associations shall pass these reports on to the trade control bureau to aid the bureau in managing its import controls.

4. Contracts entered into between public and private enterprises shall be faithfully carried out by both sides unless uncontrollable circumstances intervene. If one side declines to renew a contract and such action results in damage to the other side, the first party should be responsible for making good the damage. In case of arguments, arbitration should be resorted to according to the terms of the contract to secure a settlement.

EUROPEAN STEEL SHORTAGE AIDS HONG KONG PRODUCERS -- Hong Kong Wen-hui Pao, 7 Sep 50

Until recently, prices for Belgian and Fiench steel in Hong Kong were lower than local steel. Since the beginning of the Korean conflict, European supplies have fallen off with a consequent rise in prices that has made it possible for local producers to compete. Orders are coming in from the Philippines, Singapore, and Thailand. About 1,200 tons of the local monthly production of 2,000 tons is being exported. Because of recession in building operations the local demand has fallen off; the present spurt in operations is hardly regarded as a permanent feature of the industry.

DEMAND FOR TEA OIL AND TUNG OIL JUMPS -- Hong Kong Wen-hui Pao, 7 Sep 50

A sudden demand by European buyers for tea oil has resulted in sales of 100 tons in one day in Hong Kong at 140 Hong Kong dollars a drum. Tung oil demand is also up. On advices from Singapore, cocoanut oil dealers have also boosted prices.

HONG KONG BRISTLES EXPORTS INCREASE -- Hong Kong Wen-hui Pao, 8 Sep 50

Two opposing trends have appeared in two important items of Hong Kong trade. Bristles imports have fallen off while exports have risen. Tung oil exports have fallen off while imports have risen site. Cf previous item.

Bristles imports from North China amounted to only 8 piculs in July as compared with 440 piculs for June. Exports for July totaled 3,277 piculs, as compared with 3,075 for June. Of this total, the US took 3,011 piculs, the second largest user being Japan with 100 piculs.

Tung oil imports for July totaled 92,141 piculs, as compared with 65,451 piculs for June. Exports for July amounted to 61,834 piculs, as compared with 78,499 piculs for June. The chief source of tung oil imports for the month was South China and the largest consumer the US, followed by Australia.

- E N D -

- 2 -

CONFIDENTIAL

CONFIDENTIAL